

MEDIASCAN TRANSCRIPT
NBC MEET THE PRESS
17 April 1983
Sunday

KALB: I'm Marvin Kalb, inviting you to Meet the Press with Assistant Secretary of Defense Richard Pearl, one of the administration's top experts on arms control strategy.

ANNOUNCER: Meet the Press, an unrehearsed press conference, is a public affairs presentation of NBC News.

KALB: Our guest today on Meet the Press is Richard Pearl, the assistant secretary of defense for international security policy. He once worked for Democratic Sen. Henry Jackson of Washington, has a reputation as a hardliner on the Soviet Union and he's been described as the shaper of the administration's controversial arms control policy. Perhaps in the next half hour we may see why. Our reporters today are Walter Mossberg of The Wall Street Journal, Mary Lord of Newsweek, Leslie Gelb of The New York Times and to begin the questioning now, Bill Monroe of NBC News.

MONROE: Mr. Pearl, obviously we want to talk about arms control, et cetera, but first let me give you a chance to comment on a front page story in The New York Times this morning. The Times says that in the same month you went to work for the Pentagon, you received a \$50,000 consulting fee from an Israeli weapons concern. One year later you tried to get the Pentagon to buy weapons from that company. You feel, apparently, there was no conflict of interest. PEARL: Let me thank you first for giving me an opportunity to comment. I expected that the story would appear. I spent three hours with the reporter who wrote it. The facts are that the prominence of the story, its length, are out of all proportion to the events that it purports to describe. In simple fact, I terminated all relationships with all of my business clients when I entered the government as a consultant. This was some months before I became assistant secretary of defense. Secondly, all the fees that I received from my business clients were fully reported at the end of March, the beginning of April when I entered the government as a consultant, including the fees from the concern in question. From that point forward, I no longer had any interest whatever, financial or otherwise, in the success or failure of companies that had previously been my client. And finally, and I did give a copy of the letter in question to The New York Times, let me say, that it did not recommend giving business to that former client with whom I had severed all connections. It simply recommended that a competition be held in which all companies in a position to compete be given an opportunity to do so.

MONROE: Mr. Pearl, some government officials follow a practice and announce that they are following the practice of not getting involved in any decisions once they're in government affecting their former employers. Apparently, you were at least writing a letter that did have something to do with the possible getting of business by your former employer. PEARL: The issue, the ultimate issue, of course, was the question of procurement, and I am not a procurement officer, make no judgments about procurement. Let me tell you exactly what I did say in that letter which I have with me. I said, and I quote, 'I believe we have an obligation to buy maximum capability for each dollar of defense investment. I would be pleased to agree with a reply,' in this case it was a reply to a letter, 'that promises a fair competition between the United Kingdom program and the "compellate" program. If there are other available systems at a comparable stage of development, they should be included as well.' My judgment then was that a particular program was being shielded from competition. The

burden of my advice, a year after severing all connections with the company in question, was that a competition should be held, knowing that ultimately a procurement decision would be based on the lowest bid and the highest quality product.

MONROE: The one other major aspect of The Times story. The Times also said that files of the TRW Company show that it signed a consulting agreement with you eight days after you joined the Pentagon. The company says that it canceled the contract after three months and paid you \$5,000. Would you say that you worked for TRW, no matter what its records show, before you joined the government? PEARLS: Yes. As a matter of fact, TRW had been a client of mine in one form or another for several months before I joined the government. There was a contract with TRW that was respecified amount of work, not involving the Department of Defense, as it happens. That work was completed prior to the time I entered the government. But the paper work followed by a lag time. I signed the contract, submitted a bill. The amount of the bill was identical to the amount I had reported before I joined the government. It was money that was owed to me but not paid until after I was in the government.

KALB: Mr. Gelb.

GELB: President Reagan has called the unsigned SALT II Treaty fatally flawed. In your remarks about that treaty you have even been less enthusiastic, and yet the administration is observing, for all intents and purposes, the terms of that treaty. Why are you observing a treaty that your president and many of the senior officials in this administration believe is fatally flawed? And if you're observing it, why don't you sign it? PEARLS: We're observing it in practice, Mr. Gelb, because when one looks at the programs that we presently have under way, the programs that the Soviets presently have under way, there is not at this moment a practical concern. Nevertheless, we believe the treaty to be fatally flawed, not only because it fails to constrain the growth of strategic forces, as indeed it does.... Everything the Soviets are now doing is proceeding under that treaty as are all of the various programs that we have under way, but because it would represent the ratification of the treaty that we believe is essentially cosmetic in nature, that does not meet the fundamental purposes of arms control which is to bring about a reduction in the strategic forces on both sides.

KALB: Can I interrupt here? You're saying not a practical concern. But isn't it true that you think the Soviet Union has violated one of those treaties by recent missile testing? PEARLS: We are looking closely at the moment at Soviet adherence to the treaty. In fact, Soviet adherence to a variety of treaties, and I would not at this point, want to come to the conclusion that a violation has taken place.

KALB: Mr. Gelb. But if you forgive me, I don't quite follow the answer. If the treaty is fatally flawed, if there are things in it that really would damage our national security, why observe it all? PEARLS: The point is we are proceeding with our programs, and our programs are not in the fundamental sense now inhibited by the treaty. Nor are affiliate programs, in any fundamental sense, inhibited by the treaty. And that's precisely the point about the failure of this treaty. It does not significantly alter the course of weapons development and deployment that is now taking place or that would take place in the absence of the treaty. This administration has quite a different set of arms control objectives, and that is to achieve agreements that do fundamentally alter the course of weapons development and deployment. And that's what we're attempting to do.

GELB: But now we have no agreement and there are no limitations whatsoever, except in formal agreements. Is that better? PEARLS: Les, I think the point is that the difference between no agreement and the SALT II agreement is so miniscule that Soviet behavior and American behavior are essentially unaffected by those treaties. And therefore, I think we have to concede that the treaties have not had the inhibiting effect that it was hoped (inaudible, speaking in unison)....

GELB: And therefore violations wouldn't mean much either, if their differences are miniscule? PEARLS: Violations raise questions of the integrity of the process that may be far more important than the actual military consequences.

KALB: Miss Lord, please?

LORD: Yes. I'd like to change topics and go to East-West technology, which you're also an expert on. Much has been made in the past of the billions of dollars in research the Soviet Union are able to save because they get much of our technology either through legal or illegal means. Yet, German Chancellor Helmut Kohl was at the White House and was assured the East-West trade would not be an issue at the upcoming Williamsburg Summit. How do you explain that? Is technology transfer no longer a problem? PEARL: Oh no, it's very much a problem, and I don't believe that Chancellor Kohl's remarks or his position should be interpreted as applying to trade in strategically relevant technology. This is an area where the American government, the German government, and indeed all of the members of the NATO Alliance have achieved a high degree of consensus in principal, and that is that we have been losing technology to the Soviet Union. That technology is showing up in a wide variety of Soviet weapons systems. And the mechanisms we have for controlling the flow of that technology ought to be used and used more effectively than they are now. On that there is general agreement.

LORD: Is the department satisfied that the mechanism's in place, it's sufficient? Are the allies doing their share, or could they do more? PEARL: We think they could do more, and we believe that far from being sufficient, the mechanism in place is wholly inadequate. The principal responsibility for coordinating the Western effort to restrain Soviet acquisition of militarily relevant technology is an organization based in Paris. It has an annual budget of half a million dollars. It has a secretary general who's a fine man, contributed by the Italian government. He's a foreign service officer. It occupies two rooms in the basement of an annex of the American Embassy, and it is wholly inadequate with respect to the important task of assuring that the Soviet Union does not arm itself with our technology, thereby causing us to spend billions more for defense.

KALB: Mr. Mossberg.

MOSSBERG: Mr. Pearls, to change the subject once again to the question of deployment of U.S. missiles in Western Europe, with which you've been closely involved. In recent weeks a number of Soviet officials have been warning that if we went ahead and deployed the Cruise missiles and Pershings in Western Europe, as we are scheduled to do, they may feel compelled to station similar missiles somewhere near our shores. So I have a two-part question. First, how seriously do you take this threat? And secondly, what would be the response of the United States government if, for instance, the Soviets were to try to station a missile like the SS-20 somewhere in the Caribbean or Central America? PEARLS: Well, first, it seems to me that the situation in this hemisphere and the situation in Europe are not only not analogous, they're fundamentally different. At issue in Europe is the deployment of a modest NATO

response to a very substantial Soviet buildup of modern ballistic missiles. There is no security imbalance in this hemisphere that could in any way compare to the imbalance that the Soviets, by virtue of their building program, have created in Europe. With respect to an American response if the Soviets were to introduce nuclear weapons into this hemisphere over and above the tens of thousands of weapons they have based in their homeland that can reach the United States, this would be a very dangerous escalation, a wholly unnecessary one. It would violate the arms control agreements, by the way. Latin America, now Central America, is non-nuclear. It would be a very unwelcome and a very dangerous development.

MOSSBERG: In the, on the question of deploying missiles in Europe, the president has recently added some flexibility to his arms control position in response to significant pressure from our allies over there. Between now and December when the deployment is set to begin, do you expect that the United States will have to make some further concession or additional change to its arms control position to satisfy the political situation in Europe? PEARLS: At the opening of these negotiations, the president proposed, as you know, the total elimination of weapons in this category. The Soviets would not agree to that. He has now proposed as an interim measure that we would be prepared to consider any level the Soviets might choose as long as that level is equal and includes all of the relevant forces wherever deployed. That is an extraordinarily flexible position because it puts the Soviets in the position of responding, we hope, by selecting the level that they are most comfortable with. I don't see how one could be much more flexible except by abandoning the principle that the agreement must be equal and it must include all of the affected systems. So I think there's a great deal of flexibility built into the present position, and we hope that as we draw closer to a deployment we will see a serious negotiation from the Soviet side.

KALB: Mr. Monroe?

MONROE: Mr. Pearl, the Reagan administration took away the computers of the Arms Control Agency, gave away its library to a university, cut its staff by about, almost 25%, cut its budget, and recently hired to run it a man who's not considered an expert on arms control. Why shouldn't critics say that this administration is not serious about arms control? PEARL: Let me respond to the third point which seems to be the important one. The administrative details of the handling of the arms control agency I can't comment on. Ambassador Adelman is eminently qualified to hold the position that the Senate has now, by a substantial margin, confirmed him in. He's a thoughtful, intelligent man who has been thinking about and writing about these issues for many years. His expertise is considerable in this area. He has the kind of sound judgment that needs to be brought to these difficult questions. When one looks at the officials who have preceded him in that position, it's far from clear what talents one wants in an arms control director. But imagination, intelligence and youthful vigor are certainly qualities that one would hope to see in that position. And Ken has all of those.

MONROE: Some senators, including Republicans, have challenged the expertise of Mr. Adelman in terms much different from the way you have just dealt with him. But in connection with your choice not to answer the other part of my question, are we to assume that you believe that cutting the budget of the agency and its staff, taking away its computers and library represent a strengthening of the Arms Control Agency? PEARL: Well, I would think that under Ken Adelman, who's dynamic and aggressive, you will see a strengthening of that agency. I think he fully intends that.

MONROE: What about the original weakening of the agency? PEARLS: Well, it's hard for me to judge whether the computers were being put to good use or the library was improving the quality of arms control proposals or thinking on the subject of arms control. Let me say that I think that this administration has been extraordinarily innovative in the arms control area, and if it's managed to do that without computers and without a library, they should be commended for that.

KALB: Mr. Gelb?

GELB: Over a year and a half ago, President Reagan proposed the zero-zero option. Soviets eliminate all their intermediate range missiles in Europe; we forego our planned deployment. Shortly after that announcement, you testified before a congressional committee that that was the only reasonable solution to this problem. that any alteration in the zero-zero option would be tantamount to appeasement as what Chamberlain did at Munich. Now President Reagan has changed the zero-zero option, perhaps not as a goal, but as an immediate negotiating effort, and is seeking an interim solution. How do you justify that change in view of your previous comments? PEARL: Well, I believe, and I think the president believes, the NATO allies believe, that the zero-zero outcome, the total elimination of these weapons on both sides is by far the preferred outcome, not only from our point of view, but from the point of view of peace and stability in the world. If we can't achieve that in the realities of the negotiation, then we're prepared to try to achieve the next best thing, which is the lowest possible level of such weapons. And so we have urged the Soviets to enter into a serious negotiation with us on that basis. It's one of the qualities of a democracy that when there's questions about the negotiating position, and it seems to me that the only responsible response one can make in a democracy is to stand by one's negotiating position and not, because there's an inquisitive reporter or indeed an inquiring senator, say that yes, this is our policy, but there are lots of other policies with which we'd be equally content. The fact is that at any given moment we do the best job we can of defending our policies when the process of negotiation brings us to a point where progress can only be achieved by making adjustments, sensible, intelligent adjustments ought to be made.

GELB: Adjustments are not necessarily appeasement? PEARL: No, of course not.

KALB: Miss Lord?

LORD: Yes. Many Americans feel that it perhaps should be better for the United States to cut out of the intermediate nuclear force talks altogether. The Germans, after all, are the ones of the European community asking us to deploy these missiles. Now we're taking the political heat (inaudible) are saying, 'Well, let's just get out.' What's your response to that? PEARL: I think we have an obligation to try to achieve a result better than the result would be in the absence of negotiation. We may not succeed. But we are determined, if it's at all possible, to reduce, if we can't eliminate entirely, the level of these weapons in Europe. I think it's important to the continuing support for the deployment of what is, after all, a modest, compensating force on our side, that we be seen to make every conceivable effort to bring about an agreement.

LORD: How confident are you that the missiles can be deployed on schedule, given the growing nature of the peace movement, both here and abroad? PEARL: I'm quite confident. I think from the Soviet point of view, they have regarded movement toward this deployment something quite like a steeple chase in which they have watched us jumping hurdles hoping, hoping that any successive hurdle, that we would fail to clear

it. Obviously, the most important hurdle was the election held in Germany in March, on March the sixth. Had a certain coalition been produced, we might not have been able to proceed with the program. The Kohl government is firmly committed to it, and I think now that we are well on the road to deployment unless we can get an agreement that makes it unnecessary.

MONROE: Mr. Pearl, what about an obstacle such as dual control over the missiles that might be in place in Europe? This is something that has been raised by the British government. Do you feel that this is something that this administration can buy? Can you live with that? PEARL: There are existing control arrangements that affect these weapons and indeed all weapons in the United Kingdom. We believe those arrangements are adequate. We have been talking to the representatives of that government about the arrangements, and we're confident that they will conclude that they are sufficient.

MONROE: Are you talking about dual control over the missiles that will be in place? PEARL: No, we've been talking about the existing control arrangements which have been...

MONROE: Aren't existing control arrangements dual control? PEARL: The existing control arrangements, the details of which I don't want to comment on, create a situation in which it's inconceivable that these weapons would be used over the opposition of the British government.

KALB: Mr. Mossberg?

MOSSBERG: Mr. Pearl, if I could just switch back to other missiles and to our own country. The president's commission on the MX missile recently recommended that we build 100 MX's and put them in the same silos our current missiles are located in and which all seem to agree are quite vulnerable to a Soviet attack. What's the sense of spending many billions of dollars to put a ten-warhead missile in a silo which everyone says the Soviets could destroy? And if we do that, doesn't that just make nuclear war more likely by causing the president to be faced with the choice of using the MX missiles or losing them? PEARL: Let me answer the latter part of that question first. I think the likelihood of the nuclear conflict or indeed any kind of conflict is diminished most by the maintenance of the stable balance of forces between the United States and the Soviet Union. In the last decade or so, the Soviets have been aggressively building up their strategic forces to the point where the stability of that balance is now in question. The deployment of the MX, which has been envisioned by several administrations, was intended all along to restore the integrity of that balance. And while I don't want to comment on a decision that the president has not yet made with respect to the commission report, let me say that it would help to restore the balance if one were to move forward with the deployment of the MX even if the full survivability of that could not be assured. We can no longer, I'm afraid, anticipate that we be able to deploy systems that are fully survivable.

KALB: We've got about a minute to go. Mr. Mossberg, continue please.

MOSSBERG: Well, I'd like to just pick up on that theme. You say we can no longer envision that we can deploy systems that are fully survivable, and yet for 35 years the nuclear strategy of this country has been that we would not start the nuclear war, and yet we would build things where we could ride out a first strike and only retaliate. If we can't build a weapon that's survivable, don't we have to abandon that classic strategy? And what are the consequences of that? PEARL: No. We remain

very much committed to that strategy, and the emphasis should be placed on the word fully survivable. No single strategic system is fully survivable. In combination, the array of strategic systems that we are able to deploy, the submarines, the strategic bombers, the missiles of various types, together, each with its vulnerability.

NOTE: END OF PROGRAM NOT AVAILABLE DUE TO LOCAL PROGRAMMING PRE-EMPTION.

Betty Turner, Transcriber

